Tirupur), Kerala (*Thiruvanathapuram)*, Andhra Pradesh (*Visakhapatanam)*, Karnataka (*Bangalore)*, Gujarat (*Surat)*, Punjab (*Ludhiana)*, Madhya Pradesh (*SEZ, Indore)*, Rajasthan (*Mahal-Jaipur)* and Maharashtra (*Butibori)*.

Unproductive mills of NJMC

2198. SHRI RAMA MUNI REDDY SIRIGIREDDY:
SHRI S. M. LALJAN BASHA:

Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that six mills under National Jute Manufactures Corporation (NJMC) are not doing any production although 14,700 workers are on their strength;

(b) if so, the reasons therefor; and

(c) the measures taken to diversify products to make the mills viable?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Yes, Sir. The six mills of National Jute Manufactures Corporation (NJMC) Ltd. have ceased production of jute goods from various dates as stated below:

Alexandara	01.09.2002
National	17.02.2002
Union	11.03.2003
Khardah	26.03.2004
Kinnison	26.03.2004
R.B.H.M. (Bihar)	30.03.2004

As on date, there are 13,942 employees on the rolls of the NJMC Ltd.

(b) The stoppage of production of jute goods in the NJMC mills is on account of lack of working capital, and huge accumulated losses and negative networth resulting in refusal by Financial Institutions to extend cash credit limits to the NJMC.

The NJMC Ltd. was referred to the BIFR in 1992 and the BIFR *vide* its order dated 8.7.2004 has ordered its winding up and has referred the matter to the Calcutta High Court for appointment of a liquidator.

(c) In view of (b) above, does not arise.